GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:912
ANSWERED ON:27.11.2014
FOREIGN INVESTMENT IN POWER SECTOR
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Will the Minister of POWER be pleased to state:

(a) the percentage of FDI allowed in power sector;

(b) the initiatives taken by the Government to encourage foreign investment in power sector;

(c) whether same foreign investors have approached the Government for the purpose;

(d) if so, the details thereof; and

(e) the details of projects where such investment has been made during the last three years and the current year along with the quantum of foreign investment involved therein, State-wise?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) to (e) : The Government of India notifies the `Consolidated FDI Policy` from time to time to encourage the foreign investment which includes power sector also.

The existing FDI policy in the Power Sector provides for 100% Foreign Direct Investment (FDI) under automatic route for projects of electric generation (except atomic energy), transmission, distribution and trading of electricity. Government of India has also allowed the foreign investment up to 49% (with FDI limit of 26 per cent and FII / FPI limit of 23 per cent) of the paid-up capital in Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2010, under the automatic route, subject to certain conditions, as laid down in the policy.

Foreign investment inflows into the country in the power sector, during 2011-12 to 2014-15 (upto August, 2014) are given below:

Financial Year	FDI in US $ (in million)
2011-12 (April - March)	1,652
2012-13 (April - March)	536
2013-14 (April - March)	1,066
2014-15 (April -August,2014)	369